

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on December 19, 2003

NOTICE OF ACTION TAKEN -- DOCKET OST 2003-16657

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Applicant: AIR CANADA Date Filed: December 5, 2003

Relief requested: Statement of Authorization under 14 CFR Part 212 to permit Air Canada and its subsidiary Jazz Air to carry the code of Singapore Airlines, for an indefinite duration, on scheduled flights operated by Air Canada and/or Jazz Air, between any point or points in Canada and any point or points in the United States (in conjunction with Singapore Airlines' services between Singapore and the United States).

If renewal, date and citation of last action: New authority.

Applicant representative: Anita Mosner, 703-294-5890 DOT analyst: Allen F. Brown, 202-366-2405

Responsive pleadings: None.

DISPOSITION

Action: Approved. Action date: December 19, 2003

Effective dates of authority granted: indefinite duration (see below).

Basis for approval: For Canada, the United States-Canada Air Transport Services Agreement; and, for Singapore, The Multilateral Agreement on the Liberalization of International Air Transportation.

Remarks/Conditions: The code-share authority that we granted is subject to the following conditions: 1) The Statement of Authorization will remain in effect only as long as (i) Air Canada, Jazz Air and Singapore Airlines continue to hold the necessary underlying authority to operate the code-share services at issue, and (ii) the code-share agreement providing for the code-share operations remains in effect. 2) Air Canada, Jazz Air and Singapore Airlines must promptly notify the Department (Office of International Aviation) if the subject agreement providing for these code-share operations is no longer effective or the carriers decide to cease operating any or all of the approved services. (We expect this notice to be received within ten days of such noneffectiveness or of such decision and filed in Docket OST 2003-16657). 3) Air Canada, Jazz Air and Singapore Airlines must notify the Department no later than 30 days before they begin any new codeshare service under the code-share services authorized here. Such notice shall identify the market(s) to be served, and the date on which the service will begin. Such notice should be filed in Docket OST 2003-16657. 4) The code-share operations conducted under this authority must comply with 14 CFR Part 257 and with any amendments to the Department's regulations concerning code-share arrangements that may be adopted. 5) Notwithstanding any provisions in the contract between the subject carriers, our approval here is expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out the service in computer reservation systems and elsewhere; that the carrier selling such transportation (that is, the carrier shown on the ticket) accept responsibility for the entirety of the code-share journey for all obligations established in its contract of carriage with the passenger; and that the passenger liability of the operating carrier be unaffected. 6) The code-share authority granted here is specifically conditioned so that neither carrier shall give any force or effect to any contractual provisions between themselves that are contrary to these conditions.

Action taken by: Paul L. Gretch, Director Office of International Aviation

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the authority was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975.

To the extent not granted/deferred/dismissed, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

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